No.013- 2024: First Session, Seventh Legislature

#### GAUTENG PROVINCIAL LEGISLATURE

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##### OVERSIGHT COMMITTEE ON PREMIER'S OFFICE AND THE LEGISLATURE [OCPOL]

MINUTES

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Friday, 08th November 2024

1. **Opening and welcome**

The Chairperson, Honourable L. N. Mekgwe, commenced the meeting by extending a warm welcome to all members, support staff, and stakeholders present. Sincere best wishes were conveyed to Dr. Masuku, along with the other support staff and esteemed members who are currently undertaking examinations scheduled for various dates.

1. **Apologies**

The following apologies were received and accepted.

* Member L. Makhubela is out of the country for legislative work.
* Member S.T. Msimanga is out of the country attending the Sydney Australia 67th Commonwealth Parliamentary Conference.
* Member T. Nkani is out of the country attending the Sydney Australia 67th Commonwealth Parliamentary Conference.
* Member B. Masuku was writing exams.

The following Members were in attendance**:**

* Chairperson L. Mekgwe
* Member N. Mokgethi
* Member T. Chokoe
* Member F. Nel
* Member J. Bloom
* Member P. Makwala
* Member A. Allie
* Member F.R Ngobeni

1. **Confirmation of the Agenda**

**MOTION**: That the agenda be confirmed.

**Agreed.**

1. **Adoption of the minutes of the previous meeting dated Friday, 8th November 2024.**

**MOTION:** That the minutes be adopted.

**Agreed.**

1. **Matters arising from the minutes of the previous meeting.**

None

1. **Research Analysis presentations on the following:** 
   1. **Office of the Premier’s 2nd Quarter Performance Report for 2024/25 FY**

Ms N. Dlamini presented the analysis of the Office of the Premier’s 2nd Quarter Performance Report for the 2024/25 financial year which outlined the following:

The main appropriation for the 2024-24 FY amounts to R673.9 million. The Budget for Q2 amounted to R183.3 million. The expenditure is at 184.4 million which is an overspending of 0.6% of the projected budget for the quarter, resulting in a variance of 1.1 million. The Office of the Premier’s expenditure performance for the second quarter of the 2024-25 financial year revealed a mixed picture, with both overspending and underspending in different programmes.

Programme 1 has significantly overspent its projected budget by 71%, primarily due to unforeseen expenses related to the Life Esidimeni claims, including payments to beneficiaries and legal fees, as well as the costs associated with the Commission of Inquiry into the Usindiso Building. These expenses were not accounted for in the 2024/25 fiscal year’s budget, and a formal request for additional funding to cover this expenditure has been submitted and is pending approval from the Gauteng Provincial Treasury. In construct, programme 2 has shown a slight overspending of 1%, which is within the acceptable threshold. Programme 3 has underspent by 45%, spending 55% of its projected budget. The underspending was attributed to the Gauteng City-Region Observatory (GCRO) payments and lower spending in Forensic investigations. Furthermore, Programme 3 has under-achieved on 5 of its targets, primarily due to procurement issues and financial driven targets.

The Committee has previously raised concerns about the spending patterns of this programme, as it appears that the Office has not aligned its planning and spending on the planned target as desired. The Office of the Premier has reported that there is expectation of a significant improvement in spending, attributed to the appointment of a service provider for forensic investigations. Furthermore, transfers will be disbursed on time, as internal control processes have been enhanced to ensure compliance with this objective. To ensure the Office meets its targets and aligns its planning, it is essential to closely monitor expenditure and address the challenges faced by Programme 3.

Members' inputs and comments to the presentation:

* The Committee welcomed the report and will monitor the performance of the Office of the Premier.
* The Committee will monitor the 0% spending in the deliverology support unit, aiming to understand the reasons behind the lack of expenditure.
* The Senior Researcher responded that the issue lies with the delivery of targets rather than spending. The Office has not met the planned targets for the 2023-2024 financial year and aims to address this in the third quarter by focusing on actual delivery agreements. The 0% achievement is attributed to the delivery agreements, not spending.
  1. **Gauteng Provincial Legislature’s 2nd Quarter Performance Report for 2024/25 FY**

Mr O. Mogole presented the analysis of GPL’s 2nd Quarter Performance Report for 2024/25 financial year which outlined the following:

The GPL continued to hold the executive to account, and the House and committees supported the implementation of SOM imperatives through six strategic objectives. In the quarter, a total of 19 performance targets were set, of these, 79% (15 of 19) were achieved. The 4 target not achieved are namely, Percentage achievement of milestones in the leadership initiative implementation plan; Milestone in the HR strategy implementation plan; Production of oversight question papers; Milestones on the Communications and PPP Strategy implementation plan.

In terms of the budget expenditure for the quarter under review, the GPL was allocated a total amount of R264.21 million and it managed to spend R239.37 million. This represents 90% expenditure pattern for the quarter under review.

The Performance targets for the reporting period are skewed towards strategic outcome 5, enhanced compliance with relevant fiduciary requirements and principles of good governance, which accounted for nine of the nineteen planned targets, followed by Strategic Outcome 1, enhanced oversight and accountability towards service delivery, with five, then Strategic Outcome 3 namely, enhanced meaningful public participation accounting for three, then one for strategic outcome 2 and one for strategic outcome 4.

Members' inputs and comments on the presentation:

* A concern was raised about an over-expenditure of 126%, which is attributed to unfunded positions in the offices of the presiding officers. The absence of funding for these roles could highlight gaps and potentially leading to issues in future audits. Given the GPL's strong performance, it is essential to maintain this momentum and avoid any setbacks.
* The presentation highlighted that the procurement spends on businesses owned by people with disabilities achieved 0%, which raises questions about the GPL's efforts to reach even a 1% target.
* A proper breakdown of spending priorities for the quarter, including expenses on overseas trips and shortfalls in political party funding should b e submitted to the Committee.

Response by Mr Mogole:

* There was an overspend in the Compensation of Employees because of the appointment of unfunded staff related to Leadership and Governance programme. In contrast, other programs experienced underspending, which can be attributed to outstanding IPMS payments to senior management service (SMS) employees as well as unfilled vacancies.

1. **Stakeholder Submissions**

Mr Sabelo Mtantato presented the FFC analysis of the 2nd Quarter performance report of OoP which outlined the following:

* Overall spending as at the end of the second quarter appears to be on track at 54% however, Policy and Governance has reported slow spending at 31%.
* With respect to the second quarter expenditure performance, the administration programme reported an overspending of over 70% attributed to payments for beneficiaries and legal fees for the Life Esidimeni which were not budgeted for during the 2024/25 financial year.
* The Vote continues to underperform on procurements from PwDs, suggesting that its initiatives are not effective or alternatively target setting needs to be reviewed.

Mr Fabrice Gatwabuyege presented the FFC analysis of 2nd Quarter performance report of the GPL which outlined the following recommendations:

* Second quarter expenditure showed under spending of 9.4%, however year-to-date expenditure is reported at 52.6%.
* Expenditure for Capital assets is reported at R26.7 million for quarter 2 and year-to-date expenditure, however the sub-components of this expenditure do not sum up to the total reported expenditure. Furthermore, the expenditure to date exceeds the main budget amount of Capital Assets. It is recommended that the Committee engage with the Vote regarding the budgeted amounts for Capital Assets including the sub-components and the reported expenditure to date.
* Regarding non-financial performance, the Gauteng Provincial Legislature has 79% of its performance targets.
* This target for the number of oversight question paper produced was not achieved.

The Committee expressed its appreciation for the presentation delivered by the Financial and Fiscal Commission (FFC). It was acknowledged that the Committee would address the questions raised in the presentation with both the Legislature and the Office of the Premier.

Stakeholders Attendance:

* Financial and Fiscal Commission (FFC)
* Auditor- General South Africa (AGSA)

1. **Presentation of FIS topics emanating from the Office of the Premier’s Annual Report for 2023/24 FY**

Ms. N. Dlamini presented two Focus Intervention Study (FIS) topics emanating from the Office of the Premier’s Annual Report for the 2023/24 financial year as follows:

* 1. **An Evaluation of GPG Buildings OHS Compliance and State of maintenance**

The Gauteng Provincial Government aims to improve OHS to foster a healthier workforce through the integration of Safety Health Environment Risk Quality (SHERQ) in the Service Delivery Improvement Plan (SDIP). Progress includes appointing OHS representatives and achieving 50% compliance on operational plans. However, challenges persist, including non-compliance of employee facilities, inappropriate SHERQ placements, delayed maintenance, and inadequate injury compensation. The Office of the Premier highlighted the findings in monitoring infrastructure maintenance, reflected that of 14 departments with SHERQ policies, only 8 have active OHS Committees. It is noted that an OHS compliance audit of service points revealed issues on emergency preparedness, particularly fire drills that have been neglected. An audit of emergency plans is underway to address these deficiencies and enhance safety. Key inquiries include evaluating the safety status of buildings, maintenance progress, and compliance gaps, especially linked to recent fires that affected the Office of the Premier and other GPG departments.

The examination of Occupational Health and Safety (OHS) non-compliance's impact on employee wellness in Gauteng is crucial, especially as employees return to offices post-lockdown. A discussion is necessary on how GPG departments should align their OHS protocols with national and international standards, focusing on emergency procedure training for both employees and visitors. This review aims to enhance safety across GPG buildings, effectively managing identified risks and adhering to health and safety practices.

The GCRO’s 7th Quality of Life survey revealed only 22% of respondents satisfied with government performance, there is an urgent need for improved public participation to rebuild trust in the provincial government. The Gauteng Office of the Premier has established systems to enhance service delivery, including the evolution of the Hotline Centre and the introduction of the Compliment and Complaint Management Framework. By the end of the 23-25 fiscal years, a resolution rate of 68.12% was achieved through a three-phase complaint management process focused on citizen satisfaction, although challenges remain due to inter-departmental collaboration issues.

**8.2 An Evaluation of the Public Service Hotline and Impact on Speedy Service Delivery Resolution.**

Vague timelines for unresolved cases obscure the status of the Public Service Hotline, despite seamless processes. To address budget cuts affecting the Hotline, the Office plans to introduce an AI Omni-Channel system in the 2024/25 Financial Year. This initiative will broaden communication methods to include video calls, WhatsApp, and SMS, with Virtual Agents providing round-the-clock support while live agents tackle complex inquiries. However, by the end of 2023/24 FY, 32% of cases remained unresolved, raising questions about the AI system's capacity to manage intricate service delivery complaints. The Focused Intervention Study will assess the Hotline Centre's effectiveness in timely complaint resolution and identify challenges contributing to outstanding cases. The current resolution rate of 68% points to significant issues, likely related to staff training, resource allocation, and the complexity of complaints, predominantly concerning service delivery. The Centre struggles with inadequate data and limited interdepartmental cooperation but remains vital for enhancing citizen satisfaction. Educational initiatives aim to clarify the complaint-handling process, while regular monitoring of response times seeks to improve efficiency. Coordinated efforts with government departments are essential for comprehensive complaint resolution, with the AI system promising substantial improvements in citizen interactions.

Members' inputs and comments on the FIS topics:

The Committee has decided to focus on the "Evaluation of GPG Building OHS Compliance and State of Maintenance" as the focus intervention study for this term.

1. **NCOP Bills**

The Committee is still waiting for a date on which a Member from the Select Committee on Public Administration and Management would provide a briefing on the Public Administration Management Amendment Bill [B10B-2023] and the Public Service Amendment Bill [B13B-2023].

1. **Resolution Tracking**

The research analysis on the responses to the resolutions on the 4th Quarter Report for 2023/24 FY and the 1st Quarter Report for 2024/25 FY of the OoP will be presented to the Committee on Friday, 22nd November 2024.

1. **Petition Referred to the Committee**

None.

1. **Correspondence**

None.

1. **Date of the next meeting and adjournment**

The next meeting will be held on Friday,15th November 2024, at 10h00 in Committee Room A. The meeting adjourned at 11:51 am.